

INDEX

	Page
Opinions below.....	1
Jurisdiction.....	2
Questions presented.....	2
Statute involved.....	3
Statement.....	3
Specification of errors to be urged.....	7
Reasons for granting the writ.....	8
Conclusion.....	18
Appendix.....	19

CITATIONS

Cases:

<i>Adams v. United States ex rel. McCann</i> , 317 U. S. 269.....	14
<i>Continental Box Co. v. N. L. R. B.</i> , 113 F. (2d) 93.....	15
<i>Humble Oil & Refining Co. v. N. L. R. B.</i> , 113 F. (2d) 85.....	15
<i>International Assn. of Machinists v. N. L. R. B.</i> , 311 U. S. 72.....	10, 11
<i>Jacksonville Paper Co. v. N. L. R. B.</i> , 12 L. R. R. 755, July 9, 1943.....	15
<i>Martin v. Struthers</i> , 319 U. S. 141, decided May 3, 1943.....	16
<i>Montgomery Ward & Co. v. N. L. R. B.</i> , 107 F. (2d) 555.....	15
<i>N. L. R. B. v. A. S. Abell Co.</i> , 97 F. (2d) 951.....	15
<i>N. L. R. B. v. Auburn Foundry, Inc.</i> , 119 F. (2d) 331.....	14
<i>N. L. R. B. v. Baldwin Locomotive Works</i> , 128 F. (2d) 39.....	15
<i>N. L. R. B. v. Chicago Apparatus Co.</i> , 116 F. (2d) 753.....	14
<i>N. L. R. B. v. Citizen-News Co.</i> , 134 F. (2d) 970.....	15
<i>N. L. R. B. v. Clarksburg Pub. Co.</i> , 120 F. (2d) 976.....	15
<i>N. L. R. B. v. Elkland Leather Co.</i> , 114 F. (2d) 221, certiorari denied, 311 U. S. 705.....	15
<i>N. L. R. B. v. Falk Corp.</i> , 102 F. (2d) 383.....	14
<i>N. L. R. B. v. Federbush Co.</i> , 121 F. (2d) 954.....	12
<i>N. L. R. B. v. Griswold Mfg. Co.</i> , 106 F. (2d) 713.....	10, 15
<i>N. L. R. B. v. M. A. Hanna Co.</i> , 125 F. (2d) 786.....	15
<i>N. L. R. B. v. Link-Belt Co.</i> , 311 U. S. 584.....	10
<i>N. L. R. B. v. New Era Die Co.</i> , 118 F. (2d) 500.....	15
<i>N. L. R. B. v. Reed & Prince Mfg. Co.</i> , 118 F. (2d) 874, certiorari denied, 313 U. S. 595.....	15

(1)

Cases—Continued.

Page

<i>N. L. R. B. v. Stone</i> , 125 F. (2d) 752, certiorari denied, 317 U. S. 649-----	10, 14
<i>N. L. R. B. v. Sunbeam Elec. Mfg. Co.</i> , 133 F. (2d) 856-----	10, 14
<i>N. L. R. B. v. Superior Tanning Co.</i> , 117 F. (2d) 881, certiorari denied, 313 U. S. 559-----	15
<i>N. L. R. B. v. Trojan Powder Co.</i> , 135 F. (2d) 337-----	15
<i>N. L. R. B. v. Union Pacific Stages</i> , 99 F. (2d) 153-----	15
<i>N. L. R. B. v. Virginia Electric & Power Co.</i> , 314 U. S. 469. 7, 8, 14	
<i>N. L. R. B. v. Waterman Steamship Corporation</i> , 309 U. S. 206-----	11
<i>N. L. R. B. v. West Kentucky Coal Co.</i> , 116 F. (2d) 816-----	15
<i>Securities & Exchange Comm. v. Chenery</i> , 318 U. S. 80-----	8
<i>Texas & N. O. R. Co. v. Brotherhood of Railway Clerks</i> , 281 U. S. 548-----	12
<i>Valley Mould & Iron Corp. v. N. L. R. B.</i> , 116 F. (2d) 760, certiorari denied, 313 U. S. 590-----	15
<i>Virginian Ry. v. System Federation No. 40</i> , 84 F. (2d) 641, aff'd, 300 U. S. 515-----	12
<i>Western Union Tel. Co. v. N. L. R. B.</i> , 113 F. (2d) 992-----	10
<i>Westinghouse Electric & Mfg. Co. v. N. L. R. B.</i> , 112 F. (2d) 657, aff'd, 213 U. S. 660-----	10
 N. L. R. B. proceedings:	
<i>Agar Packing & Provision Corp.</i> , 13-C-2158-----	17
<i>American Rolling Mill Co.</i> , 6-R-765-----	17
<i>Ash Grove Lime & Portland Cement Co.</i> , 17-C-1066-----	17
<i>Auburn Spark Plug Co., Inc.</i> , R-5384-----	16
<i>Bonney Floyd Co.</i> , 9-R-1108-----	16
<i>Bonney Floyd Co.</i> , 9-C-1907-----	16
<i>Boeing Airplane</i> , 17-R-406-----	17
<i>Bradford-Kennedy</i> , 17-R-673-----	17
<i>Brandeis, J. L.</i> , R-5194-----	17
<i>Brennan Co., The P.</i> , R-5390-----	17
<i>Central Mfg. Co.</i> , 10-C-1373-----	17
<i>Chillicothe Paper Co.</i> , 9-C-1902-----	16
<i>Cleveland Worm & Gear Co.</i> , 8-R-1188-----	17
<i>Cole Furniture Co.</i> , 5-R-1240-----	17
<i>Coleman Furniture Corp.</i> , R-5168-----	17
<i>Congress Shirt Company</i> , 1-C-2248-----	17
<i>Dierks Lumber & Coal Co.</i> , R-5226-----	16
<i>Douglas Aircraft Co., Inc.</i> , 21-C-2320, 21-C-2325, 21-C- 2326, 21-C-2327-----	17
<i>Ellicott Machine Corp.</i> , 5-R-1271-----	17
<i>Emsco Derrick, D. & B. Division of</i> , 16-R-653-----	16

N. L. R. B. proceedings—Continued.

Fairmont Creamery Co., 17-C-1082	17
Goat Company, The Fred, 2-R-4098	16
Graver Tank & Mfg. Corp., R-5285	17
Growers-Shippers Vegetable Assoc. of California, C-178	17
Haase Co., A. C. L., 14-C-828	17
Heinz Co., H. J., R-5097	17
Hekman Furniture Co., R-5441	17
Holtzer Cabot Electric Co., R-5632	17
Hoosier Lamp & Stamping Corp., 14-C-865	17
Hoosier Lamp & Stamping Corp., R-5510	17
Hultig Mfg. Co., R-5096	16
Illinois Meat Co., R-5433	17
Leschen, A., & Sons Rope Co., 14-R-638	16
Midwest Solvents, 17-R-676	17
Norden, Inc., Carl L., 2-R-3838	17
Oberman & Co., 15-R-968	16
Owosso Metal Industries, Inc., R-5429	17
Pantex Pressing Machine, Inc., 1-R-1458	17
Precision Scientific Co., R-5320	17
Pump Engineering Service Corp., 8-R-1180	16
Quaker Oats Co., 17-R-657	17
Reynolds, R. J., Tobacco Co., 5-R-1308	16
Rowe Mfg. Co., R-5153	17
Schweitzer, Peter J., Inc., 2-R-3975	17
Servus Rubber Co., 13-R-1797	17
Servus Rubber Co., 13-C-2155	17
Shakespeare Products Co., R-4990	17
Stewart-Warner Corp., R-5466	17
Swallow Airplane, 17-R-536	17
Swallow Airplane, 17-C-1052	17
Thropp, William R., Sons Co., 4-R-1101	17
Tomlinson of Highpoint, 5-C-1545	17
Union Gas System, 17-C-985	17
Viking Pump Co., R-5208	17
Viking Pump Co., R-5209	16
Vulcan Corp., Wood Heel Div., R-5399	16
Vulcan Corp., Wood Prod. Div., R-5397	16
Vulcan Corp., Wood Prod. Div., 14-C-823	17
Vulcan Mfg. Co., 18-C-962	17
Watkins, Inc., 17-R-569	17
Watkins, Inc., 17-C-1031	17
Whiting Corporation, R-5265 (13-R-1708)	17
Wilson & Co., 17-R-594	17
Zimmer-Thomson Corp., 2-R-3977	17

Statutes:

	Page
National Labor Relations Act (Act of July 5, 1935, c. 372, 49 Stat. 449, U. S. C. Title 29, sec. 151, <i>et seq.</i>):	
Sec. 1.....	19
Sec. 7.....	20
Sec. 8 (l).....	20
Sec. 9 (c).....	21
Sec. 10 (e).....	21
Arizona 1939 Code, Secs. 43-1506, 43-1507, 43-1605.....	12
Michigan 1929 Comp. Laws, Sec. 3288.....	12
Montana 1935 Code, Sec. 10770.....	12
Pennsylvania Statutes (Purdon) Title 25, Sec. 3547.....	12
Rhode Island 1938 Gen. Law, Ch. 325, Sec. 5.....	12
South Dakota 1939 Code, 13.0914.....	12
West Virginia Laws 1937, Ch. 36.....	12
Miscellaneous:	
Senate Report 573, 74th Cong., 1st sess., p. 16.....	15
Seventh Annual Report of the National Labor Relations Board, p. 16.....	18

In the Supreme Court of the United States

OCTOBER TERM, 1943

No. 334

NATIONAL LABOR RELATIONS BOARD, PETITIONER

v.

AMERICAN TUBE BENDING CO., INC.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED
STATES CIRCUIT COURT OF APPEALS FOR THE SECOND
CIRCUIT

The Solicitor General, on behalf of the National Labor Relations Board, prays that a writ of certiorari issue to review the decree of the United States Circuit Court of Appeals for the Second Circuit, entered on June 7, 1943 (R. 90), denying the petition of the Board for enforcement of its order against American Tube Bending Co., Inc.

OPINIONS BELOW

The opinion of the Circuit Court of Appeals (R. 83-86) is reported in 134 F. (2d) 993. The findings of fact, conclusions of law, and order of the Board (R. 57-80) are reported in 44 N. L. R. B. 121.

JURISDICTION

The decree of the Circuit Court of Appeals was entered on June 7, 1943 (R. 90). The jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code, as amended by the Act of February 13, 1925, and Section 10 (e) of the National Labor Relations Act.

QUESTIONS PRESENTED

1. The Board found that the employer, just prior to an election conducted by the Board, circulated antiunion propaganda among his employees; assembled them in the plant and cautioned them against the selection of representatives for collective bargaining; indicated that the election would afford an opportunity to choose his leadership or that of a union; cast aspersions on the leaders of one of the unions on the ballot; implied that loyalty to him would lead to repudiation of collective bargaining; and intimated that on certain vital issues collective bargaining would be fruitless and would, in fact, react to the employees' detriment. Could the Board properly find that thereby the employer interfered with, restrained or coerced the employees in the exercise of the rights guaranteed in Section 7 of the Act?

2. Assuming that the above question is answered in the affirmative, is the employer privileged by virtue of the First Amendment thus to interfere with, restrain, or coerce his employees in the exercise of their right to self-organization?

STATUTE INVOLVED

The pertinent provisions of the National Labor Relations Act (Act of July 5, 1935, c. 372, 49 Stat. 449, U. S. C., Title 29, Sec. 151 *et seq.*) are set out in the Appendix.

STATEMENT

A charge having been filed by Local 420, International Association of Machinists, A. F. of L., herein called Machinists, and the Board having issued its complaint against respondent, alleging the commission of unfair labor practices, the Board, the respondent and the Machinists entered into a stipulation waiving hearing and providing that the record in the case should consist of certain agreed facts, a transcript of certain testimony, and certain annexed exhibits (R. 1-8). In accordance with the terms of the stipulation, the Board thereupon issued its decision setting forth its findings of fact, conclusions of law, and order (R. 57-80). The facts as found by the Board and as shown by the evidence may be summarized as follows:¹

Upon petition for investigation and certification of representatives filed by the Machinists, the Board directed that an election be held on December 2, 1941 (R. 58; 47-51). On November 28, 1941, 4 days before the election, Jones, re-

¹ In the following statement, the references preceding the semicolons are to the Board's findings and the succeeding references are to the supporting evidence.

spondent's president, addressed a letter on company stationery to each employee in which the pending election was discussed (R. 62-65; 40-42). On December 1, 1941, the day before the election, all of respondent's employees who were eligible to vote in the election were directed by the foremen to assemble at a designated place in the plant, where President Jones read a prepared message to the employees (R. 65-70; 42-46, 54-56).²

In the letter Jones assured the employees that they were free to vote against either of the two unions on the ballot regardless of whether they had applied for membership or had in fact become members of either of the competing labor organizations (R. 63, 64; 41).³ Jones extolled the Company's wage policy and asserted that wages could not be raised without causing a curtailment of operations and a consequent decline of employment (R. 64; 41, 42). The employees were informed that respondent afforded to each a "sympathetic hearing" for their "own personal problems" and made adjustments fair to every-

² The employees were assembled in two groups: The first and second shifts, consisting of approximately 420 employees, were addressed at 3 p. m., and the third shift, consisting of approximately 60 employees, at shortly after 11 p. m. (R. 66; Bd. Exh. 8, R. 54, 55).

³ This statement was made at a time when 172 out of a total of 417 employees had signed application cards designating the Machinists as their exclusive bargaining representative (R. 73).

one (R. 64; 41). Jones asked the employees "to what kind of leadership" they were going to entrust their "future with the Company" (R. 64; 42). The Board found that President Jones thus made himself a party to the election (R. 71, 72).

He intensified his antiunion campaign in the pre-election day address (R. 72). Collective bargaining, he asserted, would never move the respondent to recede from its open-shop policy (R. 67; 43-44). No improvement in wage rates could be expected as a result of collective bargaining since the respondent was already paying wages as high as could be paid without loss of business (R. 67, 68; 44, 45). Collective bargaining would, he warned, interfere with recognition of individual merit and preclude individual wage increases which respondent had previously been alert to grant (R. 68, 69; 45). The employees were directed to choose whether they wanted as their "leader" either of the unions or the "present management" of their Company (R. 72, 73; 45, 46). An admonition that the employees would have to pay for representation by either union (R. 72; 45) was coupled with the implication that the leaders of the Machinists, whom Jones characterized as "total strangers," might be interested in dues alone (R. 73; 46).

The Board considered the letters and speeches not as isolated and independent phenomena, but, in connection with the circumstances in which they

were cast, as part of the entire "fabric of conduct" woven by respondent (R. 75). In these circumstances the Board concluded that respondent's campaign as a candidate in opposition to the unions was devised to exploit its influential employer status and thereby gain "tactical advantages which the unions could not possibly match" (R. 75). Thus the letters were written on company stationery, and the employees were directed by their supervisors to attend the meeting on company property, where Jones' speech was read (R. 75; 53-55). These tactics, the Board found, brought heavily into play the economic dependence of the employees upon respondent for their livelihood (R. 75). The Board, accordingly, concluded that because of the relationship existing between Jones and his audience, as well as the circumstances in which the communications were delivered, his remarks attained "a force stronger than their intrinsic connotation and beyond that of persuasion. They achieved a coercive effect * * *" (R. 76).

On these facts the Board held that respondent by its whole course of action had interfered with the conduct of the election and had attempted to influence the result of the election in such a manner as to constitute interference with the right of the employees to designate collective bargaining representatives free from coercion, and respondent had thereby interfered with, restrained and coerced its employees in the exercise of the rights

guaranteed in Section 7 of the Act (R. 77, 78). The Board ordered respondent to cease and desist from "in any manner interfering with, restraining or coercing its employees in the exercise of the rights guaranteed them in Section 7 of the Act" and to inform its employees of its compliance both by posting notices in the plant and by addressing letters to each of its employees stating that it would not engage in the conduct from which it was ordered to cease and desist (R. 79-80).

The Board having petitioned the court below for enforcement of its order, the court on April 5, 1943, handed down its opinion (R. 83-86), and on June 7, 1943, entered a decree (R. 90) which reversed the Board's order and dismissed the petition for enforcement on the ground that the decision of this Court in *N. L. R. B. v. Virginia Electric & Power Co.*, 314 U. S. 469, compelled the court to hold either that respondent's statements were not coercive, or that if coercive, they were privileged by virtue of the First Amendment.

SPECIFICATION OF ERRORS TO BE URGED

1. The court below erred in construing the *Virginia Electric & Power* case to require the holding that respondent's utterances were not coercive, or that if coercive, they were privileged under the First Amendment.
2. The court below erred in failing to enforce the order of the Board.

REASONS FOR GRANTING THE WRIT

1. The court below misconceived, we believe, the scope of this Court's decision in *N. L. R. B. v. Virginia Electric & Power Co.*, 314 U. S. 469. In that case the Court found it difficult to sustain a conclusion of interference, restraint, and coercion on the basis of a certain bulletin and speeches purporting to advise the employees of their rights under the Act, where the Board failed to set forth in its findings the reasons and process of expert judgment by which it arrived at its conclusion. In the present case the Board analyzed in considerable detail the letters and speeches of the respondent and found them to be, in the circumstance of their delivery, coercive. We submit that the *Virginia Electric* case does not preclude giving effect to the Board's finding, supported as it is by evidence and analysis not present in that case. Compare *Securities & Exchange Comm. v. Chenery Corp.*, 318 U. S. 80.

The messages to the employees were unmistakably antiunion electioneering documents, which the employees were not at liberty to ignore. The letters were written on the company's stationery, signed by its president; the speeches were delivered when the employees had been assembled in the plant to listen. By identifying himself as in substance the third candidate on the ballot, the president converted the election into a test of loyalty to the management; and the address to

the employees made it clear that collective bargaining would be fruitless if it were designed to secure a union-shop agreement (R. 67; 32), and inimical if designed to secure wage increases (R. 68-69; 33). These warnings that union representation would bring collision with fixed policies of the company, and the injection of the management into the election as a virtual candidate for representative of the employees, to be supported or rebuffed, are factors sustaining the determination of the Board. The court below nevertheless expressly declined to pass on the sufficiency of the evidence to sustain the Board's findings under standards of review normally applied.

In other cases it has been recognized that a similar electioneering campaign by an employer creates a false issue, constitutes a forbidden interference with the right of free selection of employee representatives, and destroys the value of the ballot as evidence of the wishes of the employees. "The campaign conducted by the Company in opposition to the Union * * * created a false issue between the employees and their employer. The false issue was that the employees were to choose between the Company's executives and the Union. That was not the issue. The issue was whom would the employees have for their bargaining agent. Obviously the Company's executives could not be. Who is to represent the employees as bargaining agent and the manner of

selection are matters which belong exclusively to the employees. The statute has made it so, and it is the duty of the employer to keep hands off and maintain a strictly neutral attitude. This the Company did not do * * *.”*

This Court itself has repeatedly recognized the coercive effect of expressions of an employer's preference: “Intimations of an employer's preference, though subtle, may be as potent as outright threats of discharge.” *N. L. R. B. v. Link-Belt Co.*, 311 U. S. 584, 600. In *International Assn. of Machinists v. N. L. R. B.*, 311 U. S. 72, 78, the Court said: “The freedom of activity permitted one group and the close surveillance given another may be more powerful support for the former than campaign utterances.” [Italics added.]⁴ In

⁴ *N. L. R. B. v. Sunbeam Elec. Mfg. Co.*, 133 F. (2d) 856, 860 (C. C. A. 7). See also *N. L. R. B. v. Stone*, 125 F. (2d) 752, 756 (C. C. A. 7): “The campaign then being conducted, however, was not one between the Union and respondents. It was a contest toward which they should have maintained a strictly neutral attitude. The letter, even though it contained no misrepresentations, was calculated to influence and, we think, interfere with the rights of the employees to have a free election.”

⁵ See *N. L. R. B. v. Griswold Mfg. Co.*, 106 F. (2d) 713, 722 (C. C. A. 3): “The employee is sensitive and responsive to even the most subtle expression on the part of his employer whose good will is so necessary.”

It has been held that the very existence of a labor organization which the employees have reason to suppose is favored by the employer deprives them of the full freedom of choice which the Act demands. *Westinghouse Electric & Mfg. Co. v. N. L. R. B.*, 112 F. (2d) 657 (C. C. A. 2), aff'd 312 U. S.

the present case the advantages of the employer's position were further brought into play by the conditions under which the messages were delivered. The employees were not free to disregard the summons to hear the speech; nor were they free to disregard official communications from the management. In these circumstances respondent's presentation of itself as a candidate in the election and its appeal for loyalty were calculated to impress on the employees that lack of loyalty, as thus viewed, would incur what this Court has described as the employer's "strong displeasure." *International Assn. of Machinists v. N. L. R. B.*, *supra*, at 78.

The Board's determination of the coercive and restraining effect of the employer's utterances was thus supported by the admonitory tenor of the utterances, the economic dependence of the employees upon respondent for their livelihood, and the "tactical advantages" in the conditions under which the utterances were delivered, advantages which the unions "could not possibly match" (R. 75, 76). Normal principles of review should have impelled the court below to sustain the Board's determination.

660; *Western Union Tel. Co. v. N. L. R. B.*, 113 F. (2d) 992, 996 (C. C. A. 2). Cf. *N. L. R. B. v. Waterman Steamship Corporation*, 309 U. S. 206. *A fortiori*, an employer's expressed disapproval of self-organization infringes the rights which the Act guarantees to employees.

2. Since the employer's utterances were properly found to have a coercive and restraining effect, the interference by respondent with the right of self-organization guaranteed to its employees cannot be justified on the score of a privilege of free speech. See *Texas & N. O. R. Co. v. Brotherhood of Railway Clerks*, 281 U. S. 548, 568; *Virginian Ry. v. System Federation No. 40*, 84 F. (2d) 641, 643 (C. C. A. 4), aff'd 300 U. S. 515.⁶ The court below, through Judge Learned Hand, the author of the present opinion, had earlier furnished what we submit is the proper touchstone in this class of controversies. In *N. L. R. B. v. Federbush Co.*, 121 F. (2d) 954, 957, the court said:

No doubt an employer is as free as anyone else in general to broadcast any arguments he chooses against trades-unions; but it does not follow that he may do so to all audiences. The privilege of "free speech," like other privileges, is not absolute; it has its seasons; a democratic society has an acute interest in its protection and cannot indeed live without it; but it is an interest measured by its purpose. That purpose is to enable others to make an informed judg-

⁶ Compare state statutes restricting employers in endeavoring to influence the votes of their employees in political elections. *Arizona* 1939 Code, Secs. 43-1506, 43-1507, 43-1605; *Michigan* 1929 Comp. Laws, Sec. 3288; *Montana* 1935 Code, Sec. 10770; *Pennsylvania* Statutes (Purdon) Title 25, Sec. 3547; *Rhode Island* 1938 Gen. Law, Ch. 325, Sec. 5; *South Dakota* 1939 Code, 13.0914; *West Virginia* Laws 1937, Ch. 36.

ment as to what concerns them, and ends so far as the utterances do not contribute to the result. Language may serve to enlighten a hearer, though it also betrays the speaker's feelings and desires; but the light it sheds will be in some degree clouded, if the hearer is in his power. Arguments by an employer directed to his employees have such an ambivalent character; they are legitimate enough as such, and pro tanto the privilege of "free speech" protects them; but, so far as they also disclose his wishes, as they generally do, they have a force independent of persuasion. The Board is vested with power to measure these two factors against each other, a power whose exercise does not trench upon the First Amendment. Words are not pebbles in alien juxtaposition; they have only a communal existence; and not only does the meaning of each interpenetrate the other, but all in their aggregate take their purport from the setting in which they are used, of which the relation between the speaker and the hearer is perhaps the most important part. What to an outsider will be no more than the vigorous presentation of a conviction, to an employee may be the manifestation of a determination which it is not safe to thwart. The Board must decide how far the second aspect obliterates the first.

There was no occasion, we believe, for the court to recede from its earlier position. While the

court apparently regarded the *Virginia Electric* case as supporting a claim of privilege even where a finding of coercion would have been justified, this Court's opinion, in our view, militates against such a conclusion: "In determining whether a course of conduct amounts to restraint or coercion, pressure exerted vocally by the employer may no more be disregarded than pressure exerted in other ways" (314 U. S. at 477). In according deference to an unduly broad construction of this Court's decision in the *Virginia Electric* case, the court below displayed undue diffidence toward its own formulation of the issue. Doubtless the court felt constrained to leave to this Court the more precise delimitation of the *Virginia Electric* decision. Compare *Adams v. United States ex rel. McCann*, 317 U. S. 269, 275.

Decisions in the circuit courts of appeals both prior and subsequent to the *Virginia Electric* case have recognized that the constitutional guarantee of free speech does not extend to oral or written statements by employers of preferences or hostility toward unions, which the Board has found interfered with, restrained, or coerced employees within the meaning of Section 8 (1) of the Act.⁷

⁷ *N. L. R. B. v. Sunbeam Electric Mfg. Co.*, 133 F. (2d) 856 (C. C. A. 7); *N. L. R. B. v. Stone*, 125 F. (2d) 752 (C. C. A. 7), certiorari denied, 317 U. S. 649; *N. L. R. B. v. Auburn Foundry, Inc.*, 119 F. (2d) 331, 334-335 (C. C. A. 7); *N. L. R. B. v. Chicago Apparatus Co.*, 116 F. (2d) 753, 756-757 (C. C. A. 7); *N. L. R. B. v. Falk Corp.*, 102 F. (2d) 383, 389 (C. C. A. 7); *Valley Mould & Iron Corp. v. N. L. R. B.*, 116

The holdings in these cases are not in conflict with the decision below, since the orders enforced were supported by findings unaffected by the issue of free speech. The cases do, however, indicate a position with respect to that issue which is in accord with our position here.

Moreover, it has been specifically held, in accordance with the practice of the Board and the legislative history of the Act,⁸ that employers have no

F. (2d) 760, 766 (C. C. A. 7), certiorari denied, 313 U. S. 590; *N. L. R. B. v. Superior Tanning Co.*, 117 F. (2d) 881, 890 (C. C. A. 7), certiorari denied, 313 U. S. 559; *Montgomery Ward & Co. v. N. L. R. B.*, 107 F. (2d) 555, 559 (C. C. A. 7); *N. L. R. B. v. Trojan Powder Co.*, 135 F. (2d) 337 (C. C. A. 3); *N. L. R. B. v. New Era Die Co.*, 118 F. (2d) 500, 505 (C. C. A. 3); *N. L. R. B. v. Griswold Mfg. Co.*, 106 F. (2d) 713, 722 (C. C. A. 3); *N. L. R. B. v. Baldwin Locomotive Works*, 128 F. (2d) 39, 50 (C. C. A. 3); *N. L. R. B. v. Elkland Leather Co.*, 114 F. (2d) 221 (C. C. A. 3), certiorari denied, 311 U. S. 705; *N. L. R. B. v. Reed & Prince Mfg. Co.*, 118 F. (2d) 874 (C. C. A. 1), certiorari denied, 313 U. S. 595; *N. L. R. B. v. M. A. Hanna Co.*, 125 F. (2d) 786, 790 (C. C. A. 6); *N. L. R. B. v. West Kentucky Coal Co.*, 116 F. (2d) 816 (C. C. A. 6); *N. L. R. B. v. Clarksburg Pub. Co.*, 120 F. (2d) 976, 979 (C. C. A. 4); *N. L. R. B. v. A. S. Abell Co.*, 97 F. (2d) 951 (C. C. A. 4).

But see: *N. L. R. B. v. Union Pacific Stages*, 99 F. (2d) 153 (C. C. A. 9); *Humble Oil & Refining Co. v. N. L. R. B.*, 113 F. (2d) 85 (C. C. A. 5); *Continental Box Co. v. N. L. R. B.*, 113 F. (2d) 93 (C. C. A. 5); *N. L. R. B. v. Citizen-News Co.*, 134 F. (2d) 970 (C. C. A. 9), Judge Denman dissenting. Accord: *Jacksonville Paper Co. v. N. L. R. B.*, 12 L. R. R. 755 (C. C. A. 5), July 9, 1943.

⁸ See Senate Report 573, 74th Cong., 1st sess., p. 11: "The testimony before the committee has indicated that the active entry of some employers into a vigorous competitive race for the organization of workers is not conducive to peace in industry."

legitimate interest entitling them to participate in the process by which employees are permitted to select their bargaining representatives. See pages 9-10, *supra*.

In sum, the privilege of free speech is not available where, because of the economic dependence of the listeners upon the speaker and the compulsion upon the listeners to give heed,⁹ the adjurations of the speaker pass from the realm of free competition of ideas into that of coercion.

3. The case is not a unique or sporadic one. On the contrary, it has become evident that the very language employed in respondent's communications to its employees has been adopted for use by a substantial number of employers since the decision of the court below in the present case.¹⁰ Objections to elections because of cam-

⁹ Compare *Martin v. Struthers*, 319 U. S. 141.

¹⁰ In the following cases before the Board the language of the employer's communications to the employees was identical with that used in the *American Tube Bending* case and was obviously copied therefrom: *The Fred Goat Company*, 2-R-4098; *Auburn Spark Plug Co., Inc.*, R-5384; *R. J. Reynolds Tobacco Co.*, 5-R-1308; *Pump Engineering Service Corp.*, 8-R-1180; *Bonney Floyd Co.*, 9-R-1108; *Bonney Floyd Co.*, 9-C-1907; *Chillicothe Paper Co.*, 9-C-1902; *Vulcan Corp., Wood Prod. Div.*, R-5397; *Vulcan Corp., Wood Heel Div.*, R-5399; *A. Leschen & Sons Rope Co.*, 14-R-638; *Oberman & Co.*, 15-R-968; *Dierks Lumber & Coal Co.*, R-5226; *D. & B. Division of Emsco Derrick*, 16-R-653; *Huttig Mfg. Co.*, R-5096; *Viking Pump Co.*, R-5208.

paigning by employers are very numerous. Election disputes at present constitute the greater

In the following cases, although the language of the communications varies from that employed in the *American Tube Bending* case, the purport is in all material respects the same: *Congress Shirt Company*, 1-C-2248; *Peter J. Schweitzer, Inc.*, 2-R-3975; *Carl L. Norden, Inc.*, 2-R-3838; *Zimmer-Thomson Corp.*, 2-R-3977; *Ellicott Machine Corp.*, 5-R-1271; *Tomlinson of Highpoint*, 5-C-1545; *Coleman Furniture Corp.*, R-5168; *American Rolling Mill Co.*, 6-R-765; *Cleveland Worm & Gear Co.*, 8-R-1188; *Central Mfg. Co.*, 10-C-1373; *Servus Rubber Co.*, 13-R-1797; *Agar Packing & Provision Corp.*, 13-C-2158; *Whiting Corporation*, R-5265 (13-R-1708); *Hoosier Lamp & Stamping Corp.*, 14-C-865; *A. C. L. Haase Co.*, 14-C-828; *Vulcan Mfg. Co.*, 18-C-962; *Pantex Pressing Machine, Inc.*, 1-R-1458; *Holtzer Cabot Electric Co.*, R-5632; *Wm. R. Thropp Sons Co.*, 4-R-1101; *Cole Furniture Co.*, 5-R-1240; *Hekman Furniture Co.*, R-5441; *Owosso Metal Industries, Inc.*, R-5429; *Shakespeare Products Co.*, R-4990; *Stewart-Warner Corp.*, R-5466; *The P. Brennan Co.*, R-5390; *Graver Tank & Mfg. Corp.*, R-5285; *Illinois Meat Co.*, R-5433; *Precision Scientific Co.*, R-5320; *Rowe Mfg. Co.*, R-5153; *Servus Rubber Co.*, 13-C-2155; *Hoosier Lamp & Stamping Corp.*, R-5510; *Vulcan Corp., Wood Prod. Div.*, 14-C-823; *J. L. Brandeis*, R-5194; *Boeing Airplane*, 17-R-406; *Swallow Airplane*, 17-R-536; *Watkins, Inc.*, 17-R-569; *Wilson & Co.*, 17-R-594; *Quaker Oats Co.*, 17-R-657; *Bradford-Kennedy*, 17-R-673; *Midwest Solvents*, 17-R-676; *Union Gas System*, 17-C-985; *Watkins, Inc.*, 17-C-1031; *Swallow Airplane*, 17-C-1052; *Ash Grove Lime & Portland Cement Co.*, 17-C-1066; *Fairmont Creamery Co.*, 17-C-1082; *Viking Pump Co.*, R-5209; *H. J. Heinz Co.*, R-5097; *Growers-Shippers Vegetable Assoc. of California*, C-178; *Douglas Aircraft Co., Inc.*, 21-C-2320, 21-C-2325, 21-C-2326, 21-C-2327.

"C" denotes complaint cases; "R," representation cases.

bulk of the Board's cases.¹¹ Unless the decision below is reversed it will become increasingly difficult for the Board to conduct its elections in an atmosphere of neutrality which it deems essential to the fairness of the election procedure. It is thus manifest that the problem raised by the present case is one of unusual importance in the current work of the Board.

CONCLUSION

For the foregoing reasons it is respectfully submitted that this petition for a writ of certiorari should be granted.

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Solicitor General.

ROBERT B. WATTS,
General Counsel,
National Labor Relations Board.

SEPTEMBER 1943.

¹¹ See Seventh Annual Report of the National Labor Relations Board, p. 16.



APPENDIX

The pertinent provisions of the National Labor Relations Act (Act of July 5, 1935, C. 372, 49 Stat. 449, U. S. C., Title 29, Sec. 151 *et seq.*) are as follows:

SECTION 1. The denial by employers of the right of employees to organize and the refusal by employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife or unrest, which have the intent or the necessary effect of burdening or obstructing commerce by (a) impairing the efficiency, safety, or operation of the instrumentalities of commerce; (b) occurring in the current of commerce; (c) materially affecting, restraining, or controlling the flow of raw materials or manufactured or processed goods from or into the channels of commerce, or the prices of such materials or goods in commerce; or (d) causing diminution of employment and wages in such volume as substantially to impair or disrupt the market for goods flowing from or into the channels of commerce.

The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract, and employers who are organized in the corporate or other forms of ownership association substantially burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions, by depressing wage rates and the purchas-

ing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries.

Experience has proved that protection by law of the right to employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees.

It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

* * * * *

SEC. 7. Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection.

SEC. 8. It shall be an unfair labor practice for an employer—

(1) To interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in section 7.

* * * * *

SEC. 9. (e) Whenever a question affecting commerce arises concerning the representation of employees, the Board may investigate such controversy and certify to the parties, in writing, the name or names of the representatives that have been designated or selected. In any such investigation, the Board shall provide for an appropriate hearing upon due notice, either in conjunction with a proceeding under section 10 or otherwise, and may take a secret ballot of employees, or utilize any other suitable method to ascertain such representatives.

* * * * *

SEC. 10. (e) * * * The findings of the Board as to the facts, if supported by evidence, shall be conclusive * * *.

OCT 6 1943

CHARLES ELMORE BROOKLYN
CLERK

No. 334

In the
Supreme Court of the United States

October Term, 1943.

NATIONAL LABOR RELATIONS BOARD, PETITIONER

v.

AMERICAN TUBE BENDING CO., INC.

**RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT
OF CERTIORARI**

INDEX

	PAGE
OPINIONS BELOW	1
JURISDICTION	2
REASONS FOR DENYING THE WRIT.....	2
CONCLUSION	4

CITATIONS

National Labor Relations Board v. Virginia Electric & Power Company, 314 U. S. 469.....	2, 3
--	------

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NATIONAL LABOR RELATIONS BOARD, PETITIONER

v.

AMERICAN TUBE BENDING CO., INC.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI

The Respondent prays that the petition for a writ of certiorari in the above entitled case be denied.

OPINIONS BELOW

The opinion of the Circuit Court of Appeals (R. 83-86) is reported in 134 F (2d) 993. The findings of fact, conclusions of law, and order of the Board (R. 57-80) are reported in 44 N. L. R. B. 121.

JURISDICTION

The decree of the Circuit Court of Appeals was entered on June 7, 1943 (R. 90). The jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code, as amended by the Act of February 13, 1925, and Section 10 (e) of the National Labor Relations Act.

REASONS FOR DENYING THE WRIT

1. The Respondent respectfully submits that the decision in the instant case is governed by the decision of this Court in *National Labor Relations Board v. Virginia Electric & Power Company*, 314 U. S. 469, and that the Circuit Court of Appeals for the Second Circuit properly so decided in its unanimous opinion.

In the instant case, as in the *Virginia Electric* case, the speech and letter complained of set forth the right of the employees to do as they please without fear of retaliation by the company. The facts in this case are indeed stronger in that there are no surrounding circumstances upon which the Board could rely to raise the utterances to the stature of coercion whereas in the *Virginia Electric* case, there was a complex of activities including an anti-union background of the company, warnings of possible discharges, one actual discharge and participation in the quick formation of an independent union upon all of which the Board might have relied. There were no other activities whatsoever in the instant case.

It is to be noted that the entire record before the Board was stipulated (R. 1), and all of it is now before this Court. The Board in its decision based its finding of unfair labor practices on the utterances of respondent's president (R. 62-70). There was no other evidence upon which the Board could base a finding of coercion.

Since there are no surrounding circumstances upon which the Board might rely to sustain a finding of coercion, it now seeks to supply the deficiency by lifting parts of the utterances themselves from their context and by applying an interpretation of the *Virginia Electric* decision which, it is submitted, is entirely foreign to that decision. Thus, on page 8 of its petition for a writ of certiorari, the Board interprets the *Virginia Electric* decision as not requiring that there be evidence of other coercive circumstances, but only that it sustain its conclusion of coercion by including in its finding the reasons and process of expert judgment by which it analyzed the utterances and arrived at its conclusion. That interpretation is in absolute conflict with the language of this Court. This Court in the *Virginia Electric* case said (314 U. S. at 479):

"Whether there are sufficient findings and evidence of interference, restraint, coercion, and domination, *without reference to the bulletin and the speeches*, or whether the whole course of conduct, evidenced *in part* by the utterances, was aimed at achieving objectives forbidden by the Act, are questions for the Board to decide upon the evidence."

(Italics added.)

There is nothing in the decision which permits the Board thus to support a finding of coercion by its own expert analysis.

2. There is not one scintilla of evidence in the entire record from which a reasonable man could find the slightest restraint or coercion, or a violation of the National Labor Relations Act. The moderate utterances of the respondent are within the protection of the First Amendment to the Constitution of the United States. See *National Labor Relations Board v. Virginia Electric & Power Company*, 314 U. S. at 477.

3. As the petitioner indicates in its petition on page 15, there appears to be no conflicting decision of the several Circuit Courts of Appeal, other decisions all involving findings based on evidence of coercion apart from the employer's utterances.

CONCLUSION

For the foregoing reasons, it is respectfully submitted that the petition for a writ of certiorari should be denied.

AMERICAN TUBE BENDING COMPANY, INC.,

By ARTHUR L. CORBIN, JR.,

LUKE H. STAPLETON,

Of Counsel.

October, 1943.

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Attorneys.